

§§ 363.84–363.89 [Reserved]

DECEASED OWNERS

§ 363.90 What happens when a New Treasury Direct account owner dies and his or her estate is entitled to savings bonds held in the account?

(a) *Estate is being administered.* (1) We will require appropriate proof of appointment for the legal representative of the estate. Letters of appointment must be dated within six months of submission, unless the appointment was made within one year before submission.

(2) The bonds will be registered in the following form: “John Doe, SSN 123-45-6789, Legal Representative of the estate of James Doe, deceased, SSN 987-65-4321.”

(3) The legal representative of the estate may request payment of bonds to the estate or to the person(s) entitled, or may have the bonds transferred to the New Treasury Direct account(s) of the person(s) entitled.

(4) The legal representative of the estate may not purchase bonds on behalf of the estate.

(5) If payment is requested, we will require ACH instructions.

(b) *Estate has been settled previously.* If the estate has been previously settled through judicial proceedings, the person(s) entitled may request payment of bonds or may have the bonds transferred to the New Treasury Direct account of the person(s) entitled. If payment is requested, we will require ACH instructions. We will require a certified copy of the court-approved final accounting for the estate, the court’s decree of distribution, or other appropriate evidence.

(c) *Summary administration procedures.* If there is no formal administration and no representative of the estate is to be appointed, the person(s) entitled under state law summary or small estates procedures may request payment of bonds or may have the bonds transferred to the New Treasury Direct account(s) of the person(s) entitled. We will require appropriate evidence. If payment is requested, we will require ACH instructions.

(d) *Survivors’ order of precedence for payment or transfer.* If there has been no administration, no administration is

contemplated, no summary or small estate procedures have been used, and the redemption value of the bonds is \$100,000 or less,² then bonds may be paid or transferred to the persons named in the following order of precedence:

(1) There is a surviving spouse and no surviving child or descendant of a deceased child: to the surviving spouse.

(2) There is a surviving spouse and a child or children of the decedent, or descendants of deceased children: one-half to the surviving spouse and one-half to the child or children of the decedent, and the descendants of deceased children, by representation, or by agreement of all persons entitled in this class;

(3) There is no surviving spouse and there is a surviving child or descendant of deceased children: to the child or children of the decedent, and the descendants of deceased children, by representation.

(4) There are no surviving spouse, no surviving child, and no surviving descendants of deceased children: to the parents of the decedent, one-half to each, or in full to the survivor.

(5) There are no surviving spouse, no surviving child or surviving descendants of deceased children, and no surviving parents: to the brothers and sisters and descendants of deceased brothers and sisters by representation.

(6) There are no surviving spouse, no surviving child or surviving descendants of deceased children, no surviving parents, and no brothers or sisters or descendants of deceased brothers and sisters: to other next of kin, as determined by the laws of the decedent’s domicile at the time of death.

(7) There are no surviving spouse, no surviving child or surviving descendants of deceased children, no surviving parents, no brothers or sisters or descendants of deceased brothers and sisters, and no next of kin, as determined by the laws of the decedent’s domicile at the time of death: to persons related to the decedent by marriage, *i.e.*, heirs of a spouse of the last decedent where the spouse predeceased that registrant.

²We require estates with bonds over \$100,000 redemption value to be administered.

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(8) There are no surviving spouse, no surviving child or surviving descendants of deceased children, no surviving parents, no brothers or sisters or descendants of deceased brothers and sisters, no next of kin, as determined by the laws of the decedent's domicile at the time of death, and no persons related to the decedent by marriage: to the person who paid the burial and funeral expenses, or a creditor of the decedent's estate, but payment may be made only to the extent that the person has not been reimbursed. Transfers are not permitted.

(9) Escheat according to the applicable state law.

(e) When we make payments or transfers according to paragraph (d) of this section, we will make the payments by the ACH method to either a person individually, or individually and on behalf of all other persons entitled. We will require ACH instructions for payment. A person who receives payment of bond proceeds individually and on behalf of others agrees to make distribution of the proceeds to the other persons entitled by the law of the decedent's domicile. The provisions of this section are for our convenience and do not determine ownership of the bonds or their proceeds. We may rely on information provided by the person who requests payment or transfer, and are not liable for any action taken in reliance on the information furnished.

[67 FR 64286, Oct. 17, 2002, as amended at 69 FR 2508, Jan. 16, 2004]

§§ 363.91–363.94 [Reserved]

GIFTS

§ 363.95 How may I give a book-entry savings bonds as a gift?

You may give a book-entry savings bonds as a gift in two ways:

(a) You may purchase a bond online as a gift; or

(b) You may transfer a bond that you own to another person as a gift with immediate delivery.

[67 FR 64286, Oct. 17, 2002, as amended at 68 FR 24807, May 8, 2003]

§ 363.96 What do I need to know if I initially purchase a bond as a gift?

(a) The gift bond will be registered in the name of the recipient(s). The registration is irrevocable with regard to the owner named on the gift bond.

(b) You must provide the SSN of the recipient.

(c) You may deliver the bond upon purchase, or you may hold the bond in your New Treasury Direct account until you are ready to deliver the bond to the owner named on the gift bond.

(d) If the purchaser dies before delivering a gift bond to the recipient, the bond belongs to the owner named on the gift bond, notwithstanding any testamentary attempts to the contrary by the purchaser, or any state law to the contrary. We will hold the bond until we receive instructions from the owner named on the gift bond.

[67 FR 64286, Oct. 17, 2002, as amended at 69 FR 2508, Jan. 16, 2004]

§ 363.97 What do I need to know if I transfer a book-entry savings bonds to another person as a gift?

(a) You must certify online that the transfer is a gift.

(b) You must provide the SSN of the recipient.

(c) Once the transfer is made, the gift is irrevocable.

(d) The bond will be transferred in the single owner form of registration to the recipient.

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§ 363.99 What is the minimum amount of a bond that I may transfer or deliver as a gift in any one transaction?

You may transfer or deliver gift bonds in any one-cent increment value equal to or greater than \$25.00 redemption value. For example, you may deliver a gift bond with a redemption value of \$25.00, \$25.01, \$25.02, and so forth. If the bond was held in your account prior to delivery to the recipient for a period of time and has accrued interest, the delivery will include principal and proportionate interest.